

HOUSE BILL REPORT

HB 1877

As Reported by House Committee On:
State Government Operations & Accountability

Title: An act relating to modifying the definition of manager under the state civil service law.

Brief Description: Modifying the definition of manager under the state civil service law.

Sponsors: Representatives Armstrong, Haigh, Orcutt, Condotta, O'Brien, Conway, Haler, Wood, Newhouse, Ericks, Hunt, Curtis, Sump, Morris, Clements, Linville, Hinkle, Pettigrew, Buck, Kessler, Williams, Dunn, Skinner, Campbell, Woods, Buri and Alexander.

Brief History:

Committee Activity:

State Government Operations & Accountability: 2/25/05, 3/2/05 [DP].

Brief Summary of Bill

- Changes the definition of "manager" for purposes of the Washington Management System.

HOUSE COMMITTEE ON STATE GOVERNMENT OPERATIONS & ACCOUNTABILITY

Majority Report: Do pass. Signed by 9 members: Representatives Haigh, Chair; Green, Vice Chair; Nixon, Ranking Minority Member; Clements, Assistant Ranking Minority Member; Hunt, McDermott, Miloscia, Schindler and Sump.

Staff: Hannah Lidman (786-7291).

Background:

The Washington Management Service (WMS) was established in 1993 as a separate personnel system for management positions within the executive branch of state government. Its statutory purpose is to develop and maintain a professional managerial workforce, and to provide agencies with increased flexibility for their management positions in the areas of hiring and setting compensation.

The WMS applies to classified management positions in the state's civil service system, known as Merit System 1. There are two groups of executive branch managers not included within the WMS:

- exempt positions statutorily exempt from civil service rules, including many of the highest ranking positions within an agency, such as agency directors, deputy directors, assistant directors, division directors, and high-ranking policy assistants; and
- positions within other personnel systems such as higher education, marine transportation, and state printer employees.

The WMS rules govern recruitment, appointment, classification, training and career development, hours of work, probation, compensation, transfer, promotion, layoff, re-employment, discipline, and other personnel practices for managers. The WMS managers will be prohibited from belonging to a collective bargaining unit as of July 1, 2005.

Employees who meet any one of the following five criteria are "managers" included in the WMS:

- formulate statewide policy or direct the work of an agency or agency subdivision;
- administer at least one statewide agency or subdivision policy or program;
- manage, administer, and control a local branch office of an agency or subdivision, including physical, financial, or personnel resources;
- have substantial personnel, legislative, public information, or budget responsibilities; or
- be above the first level of supervision, exercise authority that is not merely routine or clerical, and consistently use independent judgment.

Summary of Bill:

Employees who meet all three of the following criteria are "managers" included in the WMS:

- formulate statewide policy or direct the work of an agency or agency subdivision;
- administer at least one statewide policy or program; and
- either: (a) be above the first level of supervision, exercise authority that is not merely routine or clerical, and use independent judgment; or (b) have substantial personnel, legislative, public information, or budget responsibilities.

No more than 7 percent of an agency's work force may be in the WMS, excluding employee positions separately funded with non-state funds.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: Washington's executive agencies are too top heavy and members of the WMS get raises while frontline employees face pay cuts or lay-offs. Within the WMS the definition of manager is too broad. Managers should have to manage either personnel or a

state agency. The 7 percent restriction will help limit growth of the service. State funding should not go to mid-level managers.

Testimony Against: This bill drastically limits the number of positions included in the WMS. The WMS is an enlightened, holistic, and nationally-recognized view of management and is critical to civil service reform in Washington. The WMS gives this state the increased flexibility necessary to meet the needs of modern government and allows for better and faster reaction to new policies implemented by the Legislature. This bill will have a significant and debilitating effect on all state agencies as 50-75 percent of positions currently in the WMS will be removed and need to be reclassified. It is a strategic error to require managers to take part in collective bargaining. The exemption from the 7 percent restriction will have no practical effect because nearly all offices receive partial state funding. This bill will have negative impacts on employees removed from the service who will perceive their removal as a demotion.

Persons Testifying: (In support) Representative Armstrong, prime sponsor; Lynn Maier, Washington Public Employees Association; and Dennis Eagle, Washington Federation of State Employees.

(Opposed) Gene Matt, Washington State Department of Personnel; Dennis Braddock, Secretary, Department of Social and Health Services; Rich Ybarra, Department of Transportation; and Vicki Rippie; Public Disclosure Commission.

Persons Signed In To Testify But Not Testifying: None.